



# **How Does an Employee's Attitude Toward Savings Affect Their Participation in Qualified Retirement Plans?**

**Author: Marc B. Lewis, D. B. A.  
Ernest C. Trefz School of Business  
University of Bridgeport, Bridgeport, CT**

## **Introduction**

Qualified retirement plans provide employees with the opportunity to invest tax-free dollars into a retirement account and in some cases employers either match or contribute an additional percent to enhance participation. However, if an employee does not see the value in saving or investing, how does this effect their participation in employer sponsored qualified retirement plans? Utilizing a secondary data analysis, data from the Survey of Consumer finance will be analyzed in order to address employee attitudes towards savings and retirement and how this relates to their participation in their employer sponsored plans.

## **Research Question**

How does an employee's attitude towards planning and investing affect their ability to participate in employer-sponsored retirement plans?

## **Survey of Consumer Finance**

The Survey of Consumer Finance has been a reliable source used by researchers in order to determine the need for retirement planning and whatever resources are required in order to increase the planning process (Cutler, 2004). In addition, there are three important items that the survey focuses on related to retirement: retirement calculations, retirement timing, and optimism (Cutler, 2004). Despite the fact that employers implement financial programs in order to assist their employees in adequately funding their retirement plans, there are no tools that exist to determine the employees attitude towards savings and investing. Attitude can be related to the fact that the employee and the employer have the ability to increase the success of the employees ability to plan for retirement by working closely together and understanding how attitude can affect their goals

## **Methodology**

Binary logistic regression will be used in order to address identifying the relationship between the independent and dependent variables. Because the outcome variable is dichotomous and the research question is associational, the logistic regression model will be the preferred method because it is designed to determine relationships between dichotomous dependent variables and independent variables of varying types.